

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0426.02 Nicole Myers x4326

SENATE BILL 19-106

SENATE SPONSORSHIP

Cooke and Zenzinger,

HOUSE SPONSORSHIP

Tipper,

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING AN ADDITIONAL PROCESS BY WHICH A BOARD OF COUNTY**
102 **COMMISSIONERS MAY INITIATE THE WITHDRAWAL OF CURRENT**
103 **EMPLOYEES WHO ARE PEACE OFFICERS FROM A DEFINED**
104 **CONTRIBUTION RETIREMENT PLAN OFFERED BY ONE OR MORE**
105 **LOCAL GOVERNMENTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Any county, municipality, or other political subdivision (local government) or group of local governments is currently authorized to

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

establish and maintain a plan or system of retirement benefits for its elected or appointed officers and its employees. A local government or group of local governments that adopts a retirement plan or system is required to maintain an association for the purchase, establishment, or procurement of a retirement plan (association). Currently, any employer may withdraw from its participation in and contributions to any such association upon adoption of a resolution by the local government's governing body and upon approval by at least 65% of all active members employed by the employer who are participating in the association.

The bill creates an additional withdrawal provision that allows a board of county commissioners to initiate the withdrawal of current employees who are peace officers from its participation in and contributions to a defined contribution plan offered by an association for the purpose of joining a retirement plan offered by the fire and police pension association. For such a withdrawal, the approval requirement to withdraw is 65% of all current employees who are peace officers proposed to be withdrawn from participation in a defined contribution plan offered by the association and who participate in the vote to withdraw from the association. A board of county commissioners may use the new withdrawal provision once every 4 years. A board of county commissioners may also use the existing withdrawal provision to initiate the withdrawal of current employees who are peace officers from its participation in a defined contribution plan.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-54-101, **amend**
3 (2.7) introductory portion; and **add** (2.7)(a.5) and (2.7)(d.5) as follows:

4 **24-54-101. Authorization to establish and maintain retirement**
5 **plan or system - definitions.** (2.7) For purposes of this ~~article~~ ARTICLE
6 54, unless the context otherwise requires:

7 (a.5) "CURRENT EMPLOYEE" MEANS ANY PERSON CURRENTLY
8 PERFORMING SERVICE THAT CONSTITUTES EMPLOYMENT FOR ANY COUNTY,
9 MUNICIPALITY, OR OTHER POLITICAL SUBDIVISION OF THE STATE.
10 "CURRENT EMPLOYEE" DOES NOT INCLUDE FORMER EMPLOYEES OF ANY
11 COUNTY, MUNICIPALITY, OR OTHER POLITICAL SUBDIVISION OF THE STATE
12 WHO LEFT EMPLOYMENT THROUGH RETIREMENT, RESIGNATION,

1 SEPARATION, TERMINATION, OR OTHERWISE. "CURRENT EMPLOYEE" ALSO
2 DOES NOT INCLUDE BENEFICIARIES OF EITHER CURRENT EMPLOYEES OR
3 FORMER EMPLOYEES.

4 (d.5) "PEACE OFFICER" MEANS A CERTIFIED PEACE OFFICER AS
5 DESCRIBED IN SECTION 16-2.5-101 AND INCLUDES ANY GUARDS EMPLOYED
6 BY A COUNTY SHERIFF PURSUANT TO SECTION 17-26-122.

7 **SECTION 2.** In Colorado Revised Statutes, 24-54-106, **add** (3)
8 as follows:

9 **24-54-106. Association shall be formed - withdrawal.**

10 (3)(a) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, ONCE EVERY
11 FOUR YEARS A BOARD OF COUNTY COMMISSIONERS MAY INITIATE THE
12 WITHDRAWAL OF CURRENT EMPLOYEES WHO ARE PEACE OFFICERS IN THE
13 COUNTY FROM ITS PARTICIPATION IN AND CONTRIBUTIONS TO A DEFINED
14 CONTRIBUTION PLAN OFFERED BY AN ASSOCIATION FORMED PURSUANT TO
15 THIS ARTICLE 54 FOR THE PURPOSE OF JOINING A RETIREMENT PLAN
16 OFFERED BY THE FIRE AND POLICE PENSION ASSOCIATION CREATED IN
17 ARTICLE 31 OF TITLE 31. THE BOARD OF COUNTY COMMISSIONERS MAY
18 INITIATE THE WITHDRAWAL BY FILING WITH THE BOARD OF THE
19 ASSOCIATION A RESOLUTION ADOPTED BY THE BOARD OF COUNTY
20 COMMISSIONERS PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION NO
21 LESS THAN NINETY DAYS PRIOR TO THE EFFECTIVE DATE OF WITHDRAWAL
22 UNLESS A SHORTER WAITING PERIOD IS APPROVED BY THE BOARD. THE
23 EFFECTIVE DATE OF WITHDRAWAL SHALL BE THE FIRST DAY OF THE MONTH
24 IMMEDIATELY FOLLOWING THE MONTH IN WHICH THE WAITING PERIOD
25 EXPIRES.

26 (b) A BOARD OF COUNTY COMMISSIONERS' WITHDRAWAL
27 RESOLUTION SHALL BE ADOPTED BY THE BOARD OF COUNTY

1 COMMISSIONERS AND SHALL STATE ITS INTENT TO WITHDRAW CURRENT
2 EMPLOYEES WHO ARE PEACE OFFICERS FROM PARTICIPATION IN A DEFINED
3 CONTRIBUTION PLAN OFFERED BY THE ASSOCIATION.

4 (c) ANY WITHDRAWAL PURSUANT TO THIS SUBSECTION (3) SHALL
5 BE APPROVED BY AT LEAST SIXTY-FIVE PERCENT OF ALL CURRENT
6 EMPLOYEES WHO ARE PEACE OFFICERS PROPOSED TO BE WITHDRAWN FROM
7 A DEFINED CONTRIBUTION PLAN AND WHO PARTICIPATE IN THE ELECTION
8 REGARDING THE WITHDRAWAL.

9 (d) THE BOARD OF THE ASSOCIATION SHALL DISCLOSE ALL
10 RAMIFICATIONS AND PROCEDURES FOR OBTAINING THE MEMBER APPROVAL
11 PROVIDED FOR IN SUBSECTION (3)(c) OF THIS SECTION.

12 (e) BEFORE THE ELECTION TO DETERMINE WHETHER A BOARD OF
13 COUNTY COMMISSIONERS WILL WITHDRAW CURRENT EMPLOYEES WHO ARE
14 PEACE OFFICERS FROM PARTICIPATION IN A DEFINED CONTRIBUTION PLAN
15 OFFERED BY AN ASSOCIATION, THE BOARD OF THE ASSOCIATION AND THE
16 BOARD OF COUNTY COMMISSIONERS OR ITS DESIGNEE SHALL BE ALLOWED
17 MULTIPLE OPPORTUNITIES TO PRESENT INFORMATION TO CURRENT
18 EMPLOYEES WHO ARE PEACE OFFICERS PROPOSED TO BE WITHDRAWN FROM
19 A DEFINED CONTRIBUTION PLAN OFFERED BY THE ASSOCIATION
20 REGARDING THE ADVANTAGES OR DISADVANTAGES OF SUCH
21 WITHDRAWAL.

22 (f) ALL WITHDRAWALS FROM THE ASSOCIATION PURSUANT TO THIS
23 SUBSECTION (3) SHALL COMPLY WITH THE REQUIREMENTS SET FORTH IN
24 THIS SECTION, AND, EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,
25 ALL WITHDRAWALS MEETING SUCH REQUIREMENTS SHALL BE APPROVED
26 BY THE BOARD OF THE ASSOCIATION. WITHDRAWAL REQUESTS THAT DO
27 NOT MEET THE REQUIREMENTS OF THIS SECTION SHALL NOT BE APPROVED

1 BY THE BOARD OF THE ASSOCIATION.

2 (g) IF A BOARD OF COUNTY COMMISSIONERS FILES A RESOLUTION
3 TO WITHDRAW CURRENT EMPLOYEES WHO ARE PEACE OFFICERS FROM A
4 DEFINED CONTRIBUTION PLAN OFFERED BY AN ASSOCIATION FORMED
5 PURSUANT TO THIS ARTICLE 54, ANY CURRENT EMPLOYEE WHO IS A PEACE
6 OFFICER MAY ELECT TO REMAIN AN ACTIVE MEMBER OF SUCH DEFINED
7 CONTRIBUTION PLAN IF THE WITHDRAWAL BECOMES EFFECTIVE. A
8 CURRENT EMPLOYEE WHO IS A PEACE OFFICER MAY ELECT TO REMAIN IN
9 THE DEFINED CONTRIBUTION PLAN BY GIVING WRITTEN NOTICE TO THE
10 BOARD OF THE ASSOCIATION AND THE BOARD OF COUNTY COMMISSIONERS
11 NO LATER THAN THE DATE ESTABLISHED FOR THE ELECTION TO DETERMINE
12 WHETHER THE WITHDRAWAL WILL OCCUR.

13 (h) NOTHING IN THIS SUBSECTION (3) SHALL BE CONSTRUED TO
14 PROHIBIT A BOARD OF COUNTY COMMISSIONERS FROM USING SUBSECTION
15 (2) OF THIS SECTION TO INITIATE THE WITHDRAWAL OF CURRENT
16 EMPLOYEES WHO ARE PEACE OFFICERS FROM PARTICIPATING IN AND
17 CONTRIBUTING TO AN ASSOCIATION FORMED PURSUANT TO THIS ARTICLE
18 54.

19 **SECTION 3. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2020 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.